

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re Lexington Precision Corporation and Lexington Rubber Group, Inc
Debtor

Case No. 08-11153 & 08-11156
Reporting Period: August 2009

Federal Tax I.D. # 22-1830121 & 13-3525759

CORPORATE MONTHLY OPERATING REPORT – August 2009

File with the Court and submit a copy to the United States Trustee within 20 days after the end of the month and submit a copy of the report to any official committee appointed in the case.

(Reports for Rochester and Buffalo Divisions of Western District of New York are due 15 days after the end of the month, as are the reports for Southern District of New York.)

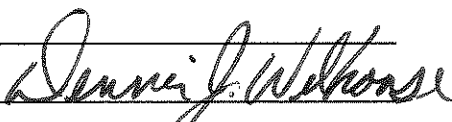
REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached
Schedule of Cash Receipts and Disbursements	<u>MOR-1</u>	Yes	Waived**
Bank Reconciliation (or copies of debtor's bank reconciliations)	<u>MOR-1 (CON'T)</u>	No	Waived**
Copies of bank statements		No	Waived**
Cash disbursements journals		No	Waived**
Statement of Operations	<u>MOR-2</u>	Yes	Consolidated Statement of Operations
Reorganization items paid	<u>MOR-2 (Cont.)</u>	Yes	No explanation necessary.
Balance Sheet	<u>MOR-3</u>	Yes	Consolidated Statement of Operations
Status of Post-petition Taxes	<u>MOR-4</u>	Yes	No explanation necessary.
Copies of IRS Form 6123 or payment receipt		No	Waived**
Copies of tax returns filed during reporting period		No	Waived**
Summary of Unpaid Post-petition Debts	<u>MOR-4</u>	Yes	No explanation necessary.
Listing of Aged Accounts Payable		No	All post-petition accounts payable are current.
Accounts Receivable Reconciliation and Aging	<u>MOR-5</u>	Yes	No explanation necessary.
Taxes Reconciliation and Aging	<u>MOR-5</u>	Yes	No explanation necessary.
Payments to Insiders and Professional	<u>MOR-6</u>	Yes	No explanation necessary.
Post Petition Status of Secured Notes	<u>MOR-6</u>	Yes	No explanation necessary.
Debtor Questionnaire	<u>MOR-7</u>	Yes	No explanation necessary.

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

Signature of Debtor

Date

Signature of Authorized Individual*



Date

September 24, 2009

Printed Name of Authorized Individual Dennis J. Welmouse

Date

September 24, 2009

Senior vice President and CFO

*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

** Inclusion of this and certain other information has been waived per discussions with Official Creditors' Committee and the Office of the United States Trustee.

In re Lexington Precision Corporation
DebtorCase No. 08-11153
Reporting Period: August 2009**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**

Amounts reported should be from the debtor's books and not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CON'T)]

	BANK ACCOUNTS				
	OPER	PAYROLL	TAX	OTHER	CURRENT MONTH ACTUAL (TOTAL OF ALL ACCOUNTS)
ACCOUNT NUMBER (LAST 4)					
CASH BEGINNING OF MONTH					
RECEIPTS					
ACCOUNTS RECEIVABLE					865,044.60
DIP LOANS					-
OTHER: Premier Tool and Die					13,295.00
OTHER: Miscellaneous Receipts					7,570.35
TOTAL RECEIPTS					885,909.95
DISBURSEMENTS					
NET PAYROLL					
PAYROLL TAXES					
SALES, USE, & OTHER TAXES					
INVENTORY PURCHASES					
SECURED/ RENTAL/ LEASES					
INSURANCE					
ADMINISTRATIVE					
SELLING					
OTHER (ATTACH LIST)					
OWNER DRAW *					
TRANSFERS (TO DIP ACCTS)					
PROFESSIONAL FEES					
U.S. TRUSTEE QUARTERLY FEES					
COURT COSTS					
TOTAL DISBURSEMENTS					2,080,765.48
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)					
CASH – END OF MONTH					

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)

TOTAL DISBURSEMENTS	\$2,080,765.48
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	\$0.00
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	\$0.00
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	\$2,080,765.48

In re Lexington Rubber Group, Inc.
DebtorCase No. 08-11156
Reporting Period: August 2009**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**

Amounts reported should be from the debtor's books and not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CON'T)]

	BANK ACCOUNTS				
	OPER	PAYROLL	TAX	OTHER	CURRENT MONTH ACTUAL (TOTAL OF ALL ACCOUNTS)
ACCOUNT NUMBER (LAST 4)					
CASH BEGINNING OF MONTH					
RECEIPTS					
ACCOUNTS RECEIVABLE					4,077,409.05
DIP LOANS					-
OTHER: Cobra					-
OTHER: Miscellaneous Receipts					9,790.52
TOTAL RECEIPTS					4,087,199.57
DISBURSEMENTS					
NET PAYROLL					
PAYROLL TAXES					
SALES, USE, & OTHER TAXES					
INVENTORY PURCHASES					
SECURED/ RENTAL/ LEASES					
INSURANCE					
ADMINISTRATIVE					
SELLING					
OTHER (ATTACH LIST)					
OWNER DRAW *					
TRANSFERS (TO DIP ACCTS)					
PROFESSIONAL FEES					
U.S. TRUSTEE QUARTERLY FEES					
COURT COSTS					
TOTAL DISBURSEMENTS					3,673,115.67
NET CASH FLOW (RECEIPTS LESS DISBURSEMENTS)					
CASH – END OF MONTH					

* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

THE FOLLOWING SECTION MUST BE COMPLETED

DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)

TOTAL DISBURSEMENTS	\$3,673,115.67
LESS: TRANSFERS TO OTHER DEBTOR IN POSSESSION ACCOUNTS	\$0.00
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	\$0.00
TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES	\$3,673,115.67

LEXINGTON PRECISION CORPORATION – CONSOLIDATED

August 2009

CONSOLIDATED STATEMENTS OF EARNINGS

MONTH

in thousands of dollars

Case no's 08-11153 & 08-11156

	MONTH	
	Actual	
Gross sales	6,148	100.7 %
Returns	32	0.5
Discounts & allowances	10	0.2
Net sales	6,106	100.0
Cost of sales:		
Material cost	2,197	36.0
Direct labor	540	8.8
Factory overhead	2,299	37.7
Total	5,036	82.5
Gross profit	1,070	17.5
Selling, general & admin. expense:		
Marketing & sales	96	1.6
General & administrative (1)	542	8.9
Total	638	10.4
Operating profit	432	7.1
Nonoperating expense (income):		
Interest expense (2) (3)	642	10.5
Interest (income)	(4)	(0.1)
Total	638	10.4
Earnings (loss) before taxes	(206)	(3.4)
Income taxes	3	0.0
Earnings (loss) from continuing operations	(209)	(3.4)
Income (loss) from discontinued operations	(10)	(0.2)
Net income (loss)	(219)	(3.6) %
EBITDA:		
Operating Profit	432	7.1 %
Depreciation	370	6.1
Amortization (operating only)	12	0.2
EBITDA	814	13.3 %

Other Data & Statistics:

Average number of employees (#)	448	NA
Sales per employee (\$)	164	NA

(1) Includes \$183,000 of expenses incurred in connection with the company's efforts to refinance and or restructure the Company during August 2009.

(2) Excludes interest expense of \$14,000 allocated to discontinued operations for the month of August 2009.

(3) Includes \$137,000 of interest on missed interest payments for the holders of the Company's unsecured debt and \$34,000 of interest for the holders of the Company's DIP loan.

In re **Lexington Precision Corporation - Consolidated**
Debtor

Case No. **08-11153 & 08-11156**
Reporting Period: **August 2009**

REORGANIZATION ITEMS		
Professional Fees		
Stout Risius Ross, Inc.		
Andrews Kurth		
Weil, Gotshal & Manges LLP		
W.Y. Campbell & Company	42,358.42	
Nixon Peabody		
Goldin Associates	10,397.50	
U. S. Trustee Quarterly Fees - LRG		
U. S. Trustee Quarterly Fees - LPC		
Interest Paid to Lexington on Accumulated Cash from Chapter 11 - DIP Cash (<i>see continuation sheet</i>)	4,519.99	
Interest Paid to Lexington on Accumulated Cash from Chapter 11 - Operating Cash (<i>see continuation sheet</i>)	1,501.20	
Gain (Loss) from Sale of Equipment		
Other Reorganization Expenses (<i>attach schedule</i>)		
DIP Interest	34,444.45	
CapitalSource Reimbursement	134,252.69	
Epiq Bankruptcy Solutions, LLC		
Intralinks, Inc.	538.75	
AccuVal Associates, Inc.		
Total Reorganization Expenses		
Income Taxes		
Net Profit (Loss)		

*"Insider" is defined in 11 U.S.C. Section 101(31).

BREAKDOWN OF "OTHER" CATEGORY

OTHER COSTS

OTHER OPERATIONAL EXPENSES

OTHER INCOME

OTHER EXPENSES

OTHER REORGANIZATION EXPENSES

Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:

Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

LEXINGTON PRECISION CORPORATION – CONSOLIDATED

August 2009

CONSOLIDATED BALANCE SHEETS

in thousands of dollars

Case no's 08-11153 & 08-11156

ASSETS	Actual
Current assets:	
Cash	3,072
Marketable securities	83
Accounts receivable	8,601
Inventories	8,021
Prepaid expenses and other current assets	2,837
Deferred income taxes	–
Current assets of discontinued operations	30
Total current assets	<u>22,644</u>
Plant & equipment	
Land	2,295
Buildings	13,527
Machinery & equipment	109,469
	<u>125,291</u>
Accumulated depreciation	<u>108,697</u>
Plant & equipment, net	<u>16,594</u>
Plant & equipment of discontinued operations, net	1,159
Goodwill	7,623
Deferred financing expenses	–
Other assets	<u>498</u>
	<u>48,518</u>
LIABILITIES & SHAREHOLDERS' DEFICIT	
Current liabilities:	
Accounts payable	8,615 (1)
Accrued income taxes	27
Accrued interest expense	17,146
Accrued operating expenses	4,360 (2)
Short-term debt	18,219 (3)
Current portion of LTD	53,487
Current liabilities of discontinued operations	<u>325</u>
Total current liabilities	<u>102,179</u>
Long-term debt, net of current portion	–
Long-term portion of post-retirement obligation	238
Other long term liabilities	190
Deferred income taxes	–
Shareholders' deficit:	
Common stock	1,245
Add'l paid-in-capital	13,203
Accumulated deficit	(68,406)
Accumulated other comprehensive loss	<u>(131)</u>
Total shareholders' deficit	<u>(54,089)</u>
	<u>48,518</u>

- (1) As of August 31, 2009, accounts payable includes prepetition accounts payable in the amount of \$5,432,000 and \$810,000 of billings from attorneys, investment advisors and other fees and expenses incurred in connection with the Company's filing under chapter 11 of the Bankruptcy Code.
- (2) As of August 31, 2009, accrued expenses includes \$508,000 of fees and expenses accrued in connection with the Company's filing under chapter 11.
- (3) Includes revolving line of credit in the amount of \$14,219,000 and the DIP loan in the amount of \$4,000,000.

Lexington Precision Corporation - Consolidated

Case No. 08-11153 & 08-11156

Status of Post-Petition Taxes

August 2009

	8/5	8/6	8/12	8/13	8/19	8/20	8/26	8/27	8/28	Totals
Federal										
FICA - Employee	948.91	18,412.62	335.22	36,806.10	351.05	19,801.90	332.43	20,478.41	17,626.39	115,093.03
FICA - Employer	948.95	18,412.70	335.22	36,805.93	351.05	19,801.99	332.41	20,478.50	17,626.42	115,093.17
Unemployment	-	134.66	-	140.58	-	181.66	-	183.98	-	640.88
Income	1,268.72	17,138.70	230.86	45,438.93	224.48	19,846.16	317.31	20,175.19	26,187.99	130,828.34
Other:	-	-	-	-	-	-	-	-	-	-
Total Federal Taxes	3,166.58	54,098.68	901.30	119,191.54	926.58	59,631.71	982.15	61,316.08	61,440.80	361,655.42
State and Local										
GA - Georgia										
Withholding	-	4,296.41	-	8,177.56	-	5,539.97	-	5,382.98	3,243.50	26,640.42
Unemployment	-	211.86	-	354.41	-	427.52	-	421.80	-	1,415.59
Real Property	-	-	-	-	-	-	-	-	-	-
Other:	-	-	-	-	-	-	-	-	-	-
NY - New York										
Withholding	-	2,056.88	-	3,846.98	-	1,975.21	-	2,101.00	1,699.07	11,679.14
Unemployment	-	948.37	-	874.51	-	778.74	-	776.24	41.32	3,419.18
Real Property	-	-	-	-	-	-	-	-	-	-
Other: DI	-	-	-	-	-	-	-	-	-	-
OH - Ohio										
Withholding	378.55	390.23	130.79	3,384.37	127.60	439.46	126.18	367.68	2,789.10	8,133.96
Unemployment	7.82	117.87	-	105.73	8.00	163.14	-	182.70	-	585.26
Real Property	-	-	-	-	-	-	-	-	-	-
Other:	-	-	-	-	-	-	-	-	-	-
PA - Pennsylvania										
Withholding	-	-	-	-	-	-	-	-	-	-
Unemployment	-	-	-	-	-	-	-	-	-	-
Real Property	-	-	-	-	-	-	-	-	-	-
Other:	-	-	-	-	-	-	-	-	-	-
SC - South Carolina										
Withholding	-	3,330.53	-	5,859.93	-	3,211.27	-	3,903.21	2,918.76	19,223.70
Unemployment	-	105.86	-	112.91	-	213.00	-	222.26	-	654.03
Real Property	-	-	-	-	-	-	-	-	-	-
Other:	-	-	-	-	-	-	-	-	-	-
MA - Massachusetts										
Withholding	-	-	-	163.64	-	-	-	-	163.64	327.28
Unemployment	-	-	-	-	-	-	-	-	-	-
Real Property	-	-	-	-	-	-	-	-	-	-
Other:	-	-	-	-	-	-	-	-	-	-
AK - Akron City, OH	-	16.29	-	16.45	-	20.30	-	16.29	-	69.33
BR - Brewster VLG, OH	-	15.29	-	10.17	-	12.66	-	14.15	-	52.27
CA - Canton City, OH	-	-	-	-	-	-	-	-	-	-
CO - Columbiana, OH	-	-	-	-	-	-	-	-	-	-
CS - Col SD, OH	-	-	-	-	-	-	-	-	-	-
GI - Girard City, OH	-	-	-	-	-	-	-	-	-	-
GR - Green City, OH	-	-	-	43.75	-	-	-	-	43.75	87.50
HU - Hubbard City, OH	-	-	-	-	-	-	-	-	-	-
MD - McDonald Vill, OH	1.82	-	-	32.50	-	-	-	-	32.50	66.82
NC - No Canton Ci, OH	-	-	-	-	-	-	-	-	-	-
NF - New Franklin, OH	-	5.77	-	5.79	-	-	-	6.88	-	18.44
NI - Niles City, OH	19.13	-	24.39	64.00	17.47	-	14.84	-	46.35	186.18
NP - New Philadel, OH	-	-	-	21.61	-	-	-	-	21.61	43.22
PP - Pepper Pike	-	-	-	73.64	-	-	-	-	76.19	149.83
PY - Pymatuning T, PA	-	-	-	-	-	-	-	-	-	-
SH - Sharon City, PA	-	-	-	-	-	-	-	-	-	-
SL - Springfield LS, OH	-	-	-	-	-	-	-	-	-	-
SP - Sharpsville, PA	-	-	-	-	-	-	-	-	-	-
ST - Struthers Ci, OH	-	-	-	-	-	-	-	-	-	-
SW - Stow City, OH	-	-	-	-	-	-	-	-	-	-
WA - Warren City, OH	-	-	-	-	3.64	-	-	-	-	3.64
YT - Youngstown C, OH	-	-	-	-	-	-	-	-	-	-
Total State and Local	407.32	11,495.36	155.18	23,147.95	156.71	12,781.27	141.02	13,395.19	11,075.79	72,755.79
Total Payroll Taxes	3,573.90	65,594.04	1,056.48	142,339.49	1,083.29	72,412.98	1,123.17	74,711.27	72,516.59	434,411.21
Non-Payroll Taxes										
Georgia Dept. of Revenue - Sales and Use Tax - July 2009	-	-	-	963.40	-	-	-	-	-	963.40
State of Delaware 2008 2nd Quarter Franchise Tax	-	2,700.00	-	-	-	-	-	-	-	2,700.00
Total Non Payroll Taxes	-	2,700.00	-	963.40	-	-	-	-	-	3,663.40
Total Taxes	3,573.90	68,294.04	1,056.48	143,302.89	1,083.29	72,412.98	1,123.17	74,711.27	72,516.59	438,074.61

SUMMARY OF UNPAID POST-PETITION DEBTS

Attach aged listing of accounts payable.

	Number of Days Past Due					
	Current	0-30	31-60	61-90	Over 91	Total
Accounts Payable						
Wages Payable						
Taxes Payable						
Rent/Leases-Building						
Rent/Leases-Equipment						
Secured Debt/Adequate	There are no unpaid post petition debts. All debts are either					
Professional Fees						
Amounts Due to Insiders	paid or within credit terms.					
Other:						
Other:						
Total Post-petition Debts						

MOR - 4 (2)

In re Lexington Precision Corporation - Consolidated
Debtor

Case No. 08-11153 & 08-11156
Reporting Period: August 2009

ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation	Amount
Total Accounts Receivable at the beginning of the reporting period	8,119,279.10
Plus: Amounts billed during the period	6,347,070.00
Less: Amounts collected during the period	4,942,453.65
Less: Miscellaneous adjustments	55,450.12
Total Accounts Receivable at the end of the reporting period	9,468,445.33

Accounts Receivable Aging	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
0 - 30 days old	5,478,727.16	-	-	-	5,478,727.16
31 - 60 days old	-	2,717,991.81	-	-	2,717,991.81
61 - 90 days old	-	-	417,868.52	-	417,868.52
91+ days old	-	-	-	853,857.84	853,857.84
Total Accounts Receivable	5,478,727.16	2,717,991.81	417,868.52	853,857.84	9,468,445.33
Less: Bad Debts (Amount considered uncollectible)	-	-	-	-	880,000.00
Plus: Accrual adjustment	-	-	-	-	13,000.00
Net Accounts Receivable	-	-	-	-	8,601,445.33

TAXES RECONCILIATION AND AGING

Taxes Payable	0-30 Days	31-60 Days	61-90 Days	91+ Days	Total
0 - 30 days old					
31 - 60 days old					
61 - 90 days old					
91+ days old					
Total Taxes Payable					
Total Accounts Payable					

In re Lexington Precision Corporation - Consolidated
Debtor

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Reporting Period: August 2009

DEBTOR QUESTIONNAIRE

Must be completed each month. If the answer to any of the questions is "Yes", provide a detailed explanation of each item. Attach additional sheets if necessary.		Yes	No
1	Have any assets been sold or transferred outside the normal course of business this reporting period?		X
2	Have any funds been disbursed from any account other than a debtor in possession account this reporting period?		X
3	Is the Debtor delinquent in the timely filing of any post-petition tax returns?		X
4	Are workers compensation, general liability or other necessary insurance coverages expired or cancelled, or has the debtor received notice of expiration or cancellation of such policies?		X
5	Is the Debtor delinquent in paying any insurance premium payment?		X
6	Have any payments been made on pre-petition liabilities this reporting period?		X
7	Are any post petition receivables (accounts, notes or loans) due from related parties?		X
8	Are any post petition payroll taxes past due?		X
9	Are any post petition State or Federal income taxes past due?		X
10	Are any post petition real estate taxes past due?		X
11	Are any other post petition taxes past due?		X
12	Have any pre-petition taxes been paid during this reporting period?		X
13	Are any amounts owed to post petition creditors delinquent?		X
14	Are any wage payments past due?		X
15	Have any post petition loans been received by the Debtor from any party?		X
16	Is the Debtor delinquent in paying any U.S. Trustee fees?		X
17	Is the Debtor delinquent with any court ordered payments to attorneys or other professionals?		X
18	Have the owners or shareholders received any compensation outside of the normal course of business?	Yes	See footnote (1)

(1) Michael A. Lubin, Chairman of the Board, and William B. Conner, a Director of the Company, received DIP interest during August 2009 in the amounts of \$17,222.22 and \$12,916.67, respectively.